

## Update on patent infringement related to lithium-ion batteries

Ellwangen, February 18, 2020

## **Background:**

In mid-December, during the course of regular competitor analysis, VARTA AG discovered that batteries from Chinese competitors were being used in premium true wireless headsets of several manufacturers.

In these premium true wireless headsets VARTA AG discovered coin-shaped lithium-ion batteries from Chinese competitors infringing the companies patents.

## Status Update:

Following the discovery of the patent infringement, VARTA AG immediately took legal action and issued warnings to the respective manufacturer and retailers in Germany.

As one of the immediate legal actions, VARTA AG applied for an injunction in Germany against one of the headset manufacturers und several retailers on January 20<sup>th</sup>.

To focus the legal actions on the main proceeding in Germany, VARTA AG withdraw the application for interim injunction on February 18<sup>th</sup>.

In the <u>US</u>, VARTA AG intensified the legal actions. Consequently, the company filed the complaint for patent infringement against one of the premium headset manufacturers on February 05<sup>th</sup> and will file complaints against several retailers on February 19<sup>th</sup>.

In summary, VARTA AG has immediately taken all necessary legal actions, and the company is further willing to take all legal actions to protect its patents.

In parallel, VARTA AG is in productive discussions with the relevant headset manufacturers to reach beneficial supply agreements and being their preferred supplier for their next generations of headsets.

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